The Saskatchewan
Water Appeal Board

Annual Report 2003–2004

Saskatchewan Water Appeal Board

Honoraria Paid to Board Members

Fiscal 2004

	04/16/03	06/11/03	12/08/03	01/28/04	02/11/04	03/03/04	TOTAL
D. Horner	$1,175.00	$2,408.75	$1,880.00	$940.00	$1,527.50	$1,527.50	$9,458.75
V. Kononoff	$77.50		$542.50				$620.00
J. Bell	$697.50	$775.00	$930.00	$620.00	$620.00	$542.50	$4,185.00
W. Randall	$697.50	$1,007.50	$542.50	$620.00	$620.00	$697.50	$4,185.00
J. Ruether	$852.50	$775.00	$620.00	$620.00	$775.00	$697.50	$4,340.00
	$3,500.00	$4,966.25	$4,515.00	$2,800.00	$3,542.50	$3,465.00	$22,788.75

Travel and Sustenance

Fiscal 2004

	04/16/03	06/11/03	12/08/03	01/28/04	02/11/03	03/03/04	TOTAL
D. Horner	$711.26	556.97	530.83	455.83	472.63	494.63	3222.15
V. Kononoff			$167.09				$167.09
J. Bell	$724.14	$630.01	$376.69	$616.45	$633.25	$504.90	$3,485.44
W. Randall	$606.17	$591.48	$42.26	$577.92	$594.72	$594.72	$3,007.27
J. Ruether	$422.22	$624.75	$495.28	$608.43	$612.23	$612.23	$3,375.14
Secretary	$617.69		$424.61			$248.83	$1,291.13
	$3,081.48	$2,403.21	$2,036.76	$2,258.63	$2,312.83	$2,455.31	$14,548.22

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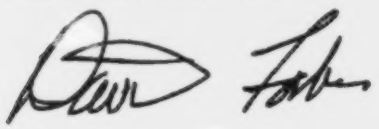
Her Honour L. Haverstock
Lieutenant Governor of Saskatchewan
Government House
4607 Dewdney Avenue
Regina, Saskatchewan
S4P 3V7

Dear Ms. Haverstock:

It is my pleasure to submit to you the Annual Report for the Water Appeal Board for the fiscal year ending March 31, 2004.

Respectfully submitted,



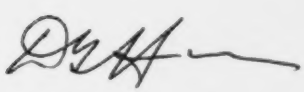
David Forbes
Minister, Department of Environment

Honourable David Forbes
Minister
Department of Environment
Legislative Building
Regina, Saskatchewan

Dear Mr. Forbes:

I am pleased to present the Annual Report of the Water Appeal Board for the fiscal year ending March 31, 2004.

Respectfully submitted,



Donald G. Horner,
Chairperson

Chairperson's Comments

For the past 23 years the Water Appeal Board and its predecessor the Drainage Control Board have been important components of the water management regulatory process in Saskatchewan.

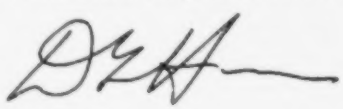
The Water Appeal Board was created in 1984 to hear and determine appeals made to it by any person affected by the action, order or decision of the Saskatchewan Water Corporation. This mandate gave the Board a wide jurisdiction and over the years the Board was called upon to hear a wide range of water related issues: from drainage disputes to matters affecting the quality and quantity of groundwater. With the creation in 2002 of the Saskatchewan Watershed Authority (successor in drainage matters to the Water Corporation) the jurisdiction of the Board was narrowed to the hearing of drainage disputes.

The Board provided a forum by which administrative decisions of the regulators could be challenged. The Board had the authority to affirm, vary, substitute its own decision, or make any order it considered appropriate in the circumstances. The forum was accessible: the Board members were appointed from the general community and usually the parties represented themselves without the assistance of lawyers.

At this point I want to thank the following members of the Board for their contributions during the past six years: Val Kononoff from Arelee, whose insight comes from being a farmer with a considerable knowledge of rural municipal affairs; Janice Ruether from Bjorkdale whose understanding of drainage issues comes from having a farm background in an area of the province where farmland is often the result of farm drainage projects; Jeanette Bell from Rosetown, a Newfoundlander turned Saskatchewan farmer who was our master wordsmith; Wayne Randall from Saskatoon, whose expertise in water management was invaluable when the technical going got tough (Wayne, who is a retired engineer, spent his professional career in water management, the last years as chief engineer of the Saskatchewan Water Corporation); and finally Maggie Linton from Regina, who, as secretary of the Board, taught us what we needed to know at the beginning and managed the business of the Board with professionalism throughout.

Finally, it was with regret that I received the news that a new Board would not be appointed after the expiration of the present Board's term, and that the Board would thereafter be dissolved.

I am proud of the six years that I spent chairing this group and I believe that our work and the work of the Boards before us made a valuable contribution to the Province. I understand that the reason for the dissolution of the Board had to do with budget cuts in the Department of Environment (the Board's funding department) and, while I well appreciate the need for budget tightening measures in these times, I think that the Province, in dissolving the Board, will have lost a tribunal that gave much to the system of administrative justice in the Province.



Donald G. Horner
Chairperson

Board Members

Chairperson:

Donald G. Horner
P.O. Box 51
Creelman, Saskatchewan
S0G 0X0

Vice-Chairperson:

Val Kononoff
P.O. Box 70
Arelee, Saskatchewan
S0K 0H0

Member:

Jeanette Bell
P.O. Box 2141
Rosetown, Saskatchewan
S0L 2V0

Member:

Wayne Randall
2206 Richardson Road
Saskatoon, Saskatchewan
S7L 4B7

Member:

Janice Ruether
P.O. Box 106
Bjorkdale, Saskatchewan
S0E 0E0

Table No. 1

Appeals/Hearings	2004	2003	2002	2001	2000
Waiting to be heard at beginning of year	6	7	10	26	27
New appeals filed	9	8	12	10	23
Appeals heard	10	5*	11	4	16
Appeals withdrawn and/or dismissed	—	4	3	21	4
Appeals filed but not accepted	2	—	1	1	4
Appeals waiting to be heard at year end	3	6	7	10	26
Appeals ordered to be heard or re-heard from the Queen's Bench	—	—	—	—	1
Appeals re-heard per Queen's Bench Order	—	—	1	—	—
Board meetings	12	12	17	14	16
Decisions rendered	10	4	11	4	15
Decisions rendered on appeals re-heard per Queen's Bench Order	—	—	1	—	—
Decisions outstanding	3	3	2	2	2
Saskatchewan Water Corporation decisions affirmed	10	4	8	2	14
Saskatchewan Water Corporation decisions varied or overturned	—	—	3	2	1
Decisions appealed to the Court of Queen's Bench	—	1	3	2	11

*Also: 1 prehearing
1 day hearing an additional appeal which will be completed in June, 2003

Board's Report

To the Members of the Legislative Assembly of Saskatchewan

The Water Appeal Board consists of five members appointed by the Lieutenant Governor in Council. The Board is responsible for financial administration, administration of the funds and management of the assets.

The financial statements which follow have been prepared in conformity with accounting principles generally accepted in Canada and have been approved by the Board. The Board uses internal controls and exercises its best judgement in order that the financial statements reflect fairly the financial position of the Board.

The financial statements have been examined by the Provincial Auditor whose report follows.

Regina, Saskatchewan
April 20, 2004

Donald G. Horner
Chairperson

Water Appeal Board Financial Statements
Year Ended March 31, 2004
Office of the Provincial Auditor
Regina, Saskatchewan

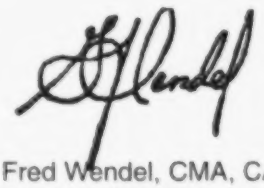
Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Water Appeal Board as at March 31, 2004 and the statements of operations and net assets, and cash flows for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Regina, Saskatchewan
April 13, 2004

Fred Wendel, CMA, CA
Provincial Auditor

Water Appeal Board
Statement of Financial Position
As at March 31

	2004	2003
Assets		
Current assets:		
Cash	$100,563	$84,429
Accounts receivable	295	166
	100,858	84,595
Capital assets (Note 3)	1,405	991
	$102,263	$85,586
Liabilities & Net Assets		
Current liabilities:		
Accounts payable	$3,131	$5,055
Appellant deposits (Note 4)	1,200	2,400
	4,331	7,455
Net assets (Statement 2)	97,932	78,131
	$102,263	$85,586

(See accompanying notes to the financial statements)

Water Appeal Board
Statement of Operations and Net Assets
For the Year Ended March 31

	2004		2003
	Budget	Actual	Actual
Revenues:	(Note 6)		
Grant from General Revenue Fund – Department of Environment	$ 92,587	$ 90,000	$ 80,000
Transcript fees	3,000	—	1,144
Interest	2,500	1,484	1,750
Appellant fees (Note 4)	1,000	2,000	1,000
Other	—	498	2,075
	99,087	93,982	85,969
Expenses:			
Board honoraria	44,985	22,789	24,374
Travel and sustenance	29,625	14,548	19,351
Secretarial services	24,660	19,681	17,440
Professional fees	12,000	563	2,392
Office supplies	6,000	4,397	4,189
Meeting room rental	6,435	4,580	4,308
Transcript fees	3,000	—	924
Office rental	3,120	3,140	3,136
Telephone	3,996	2,274	1,834
Amortization of capital assets	—	1,693	991
Accounting and printing services	1,000	468	468
Other	—	48	291
	134,821	74,181	79,698
Surplus (deficit) for the year	$ (35,734)	19,801	6,271
Net assets, beginning of year		78,131	71,860
Net assets, end of year—to Statement 1		$ 97,932	$ 78,131

(See accompanying notes to the financial statements)

Water Appeal Board
Statement of Cash Flows
For the Year Ended March 31

	2004	2003
Cash flows from operating activities:		
Grant from General Revenue Fund – Department of Environment	$ 90,000	$ 80,000
Receipts from appellants	1,400	1,600
Receipts from customers	336	1,169
Interest received	1,516	1,673
Payments to board members for honoraria, travel and sustenance	(37,938)	(43,974)
Payments to appellants	(600)	(200)
Payments to suppliers	(36,473)	(36,383)
	18,241	3,885
Cash flows from investing activities:		
Purchase of capital assets	2,107	—
	2,107	—
Net increase in cash	16,134	3,885
Cash, beginning of year	84,429	80,544
Cash, end of year	$ 100,563	$ 84,429

(See accompanying notes to the financial statements)

Water Appeal Board
Notes to the Financial Statements
March 31, 2004

1. Authority

The Water Appeal Board was established under *The Water Appeal Board Act*, on July 1, 1984. The purpose of the Board is to hear and determine appeals made pursuant to *The Water Corporation Act*.

2. Significant Accounting Policies

These financial statements have been prepared using Canadian generally accepted accounting principles. The following accounting policies are considered significant.

a) Revenue

The grant from the General Revenue Fund – Department of Environment is recognized as revenue when approved and any eligibility criteria are met.

b) Appellant fees

Appellant deposits are recognized as appellant fee revenue when the appeals have been heard and the appellants are not successful in their appeal.

c) Capital assets

Capital assets costing more than $500 are recorded at cost and amortized over their useful lives. Amortization of equipment commences in the year of acquisition and amortization is calculated on a straight-line basis over three years.

3. Capital Assets

	Cost		Accumulated Amortization		Net Book Value	
	2004	2003	2004	2003	2004	2003
Equipment	$ 8,508	$ 6,401	$ 7,103	$ 5,410	$ 1,405	$ 991

4. Appellant Deposits

Appellant deposits are held by the Board until the appeals have been heard and the decisions rendered. Once the decisions have been rendered by the Board these deposits are dealt with in one of two manners:

i) The deposit is returned if the appellant has been successful in his/her appeal.

ii) The deposit is retained by the Board and recorded as income if the appellant is not successful in his/her appeal.

At year end, the Board had 3 appeals (2003 — 8 appeals) that are awaiting hearing and 3 appeals (2003 — 4 appeals) that are awaiting decision.

5. Financial Instruments

The Board's financial instruments include accounts receivable, accounts payable and appellant deposits. The fair value of these instruments approximates their carrying value due to the immediate or short-term nature of these financial instruments.

6. Budget

These amounts represent the budget approved by the Water Appeal Board.

7. Related Party Transactions

These financial statements include transactions with related parties. The Board is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Board is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. These transactions, and amounts outstanding at year end, are as follows:

Category		2004	2003
Revenue	– Other	$ —	$1,500
Expenses	– Office rental	3,139	3,136
	– Telephone	1,914	1,587
Accounts payable		153	83

The Board pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

8. Subsequent Event

On March 31, 2004 the Board was advised by the Department of Environment that as a result of provincial budget decisions, additional funding will not be provided for the Water Appeal Board after April, 2004. The appointments of the current Board expire on May 6, 2004. The activities and functions of the Board will conclude during the 2004-05 fiscal year.